

**Adore Beauty Group Limited**  
**Appendix 4D**  
**Half-year report**

**1. Company details**

Name of entity:	Adore Beauty Group Limited
ABN:	78 636 138 988
Reporting period:	For the period ended 28 December 2025
Previous period:	For the period ended 31 December 2024

**2. Results for announcement to the market**

**Statutory Results**

			<b>\$'000</b>
Revenues from ordinary activities	up	8.7% to	111,943
Profit from ordinary activities after tax attributable to the owners of Adore Beauty Group Limited	down	69.9% to	189
Profit for the period attributable to the owners of Adore Beauty Group Limited	down	69.9% to	189

**Underlying Results**

	<b>H1 FY26 \$'000</b>	<b>H1 FY25 \$'000</b>
Sales	111,943	102,982
Gross Profit	39,161	37,252
Underlying EBITDA	4,140	3,612

Underlying earnings before interest, tax, depreciation, amortisation and other costs ('Underlying EBITDA') is a non-IFRS measure and is the primary reporting measure used by the Key Management Personnel (KMP), being the Chief Executive Officer, Management and the Board of Directors, for the purpose of assessing the performance of the Group.

H1 FY26 underlying EBITDA: excludes the impact of (i) AASB 16 *Leases*; (ii) store rollout pre-opening expenses, (iii) restructuring costs, (iv) non-cash impacts of AASB 2 Share Based Payments and (v) other non-core income and expenses recorded in profit and loss during the period.

H1 FY25 underlying EBITDA: excludes the impact of (i) AASB 16 *Leases*; (ii) restructuring costs, (iii) acquisition related transaction costs (iv) non-cash impacts of AASB 2 Share Based Payments and (v) other non-core income and expenses recorded in profit and loss during the period.

Refer to the Directors' report for the reconciliation of Underlying EBITDA to statutory profit before income tax.

**Dividends**

There were no dividends paid, recommended or declared during or since the end of the current financial period.

An overview of the operating results can be found in the 'Review of Operations' section within the Directors' Report of the attached Interim Financial Report. Further commentary on operations and financial results can be found in the Group's half-year results presentation lodged with the ASX on 24 February 2026.

**3. Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	15	13

**4. Control gained over entities**

Not applicable.

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**5. Loss of control over entities**

Not applicable.

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**6. Details of associates and joint venture entities**

Not applicable.

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**7. Signed**

Signed  \_\_\_\_\_

Jason Murray  
Chair

Date: 24 February 2026

# **Adore Beauty Group Limited**

**ABN 78 636 138 988**

**Interim Financial Report  
28 December 2025**

**Adore Beauty Group Limited**  
**Corporate directory**  
**28 December 2025**

Directors	Jason Murray - Non-Executive Chair (appointed 1 November 2025) Marina Go AM – Non-Executive Chair (resigned 21 November 2025) Kate Morris – Non-Executive Director (resigned 30 September 2025) Sandra Birkenleigh - Non-Executive Director Lisa Hennessy – Non-Executive Director Iain Nairn - Non-Executive Director James Height – Alternate Non-Executive Director for Kate Morris (resigned 30 September 2025)
Company secretaries	Marcus Crowe Anna Sandham
Registered office	Level 7 324 St Kilda Road Southbank VIC 3006
Principal place of business	Level 7 324 St Kilda Road Southbank VIC 3006
Share register	MUFG Corporate Markets (AU) Limited Liberty Place Level 41, 161 Castlereagh Street Sydney NSW 2000 Phone: 1300 554 474
Auditor	Grant Thornton Audit Pty Ltd Collins Square, Tower 5 727 Collins Street Melbourne VIC 3008
Solicitors	Gilbert + Tobin Level 35 International Towers Sydney 200 Barangaroo Avenue Sydney NSW 2000
Stock exchange listing	Adore Beauty Group Limited shares are listed on the Australian Securities Exchange (ASX code: ABY)
Website	<a href="http://www.adorebeauty.com.au">www.adorebeauty.com.au</a>

**Adore Beauty Group Limited**  
**Directors' report**  
**28 December 2025**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Adore Beauty Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 28 December 2025.

**Directors**

The following persons were Directors of Adore Beauty Group Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

- Jason Murray - Non-Executive Chair (appointed 1 November 2025)
- Marina Go AM – Non-Executive Chair (resigned 21 November 2025)
- Kate Morris – Non-Executive Director (resigned 30 September 2025)
- Sandra Birkenleigh – Non-Executive Director
- Lisa Hennessy – Non-Executive Director
- Iain Nairn – Non-Executive Director
- James Height – Alternate Non-Executive Director for Kate Morris (resigned 30 September 2025)

**Principal activities**

Adore Beauty Group generates its revenue as a major retailer in the beauty and personal care industry, offering a wide selection of products both in-store and online. With over 15,000 products and 300 brands, the Group has a broad range to offer its customer base in Australia and New Zealand. The Group has fulfillment centres in Victoria and New South Wales.

There have been no changes in the Group's principal activities during the financial period.

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial period.

**Review of operations and financial performance**

The Group's omni-channel strategy continued to gain momentum in H1 FY26, delivering strong customer and revenue growth. Revenue of \$111.9 million was up 8.7% over the prior corresponding period, driven by highly successful promotional events, growing iKOU sales, and the benefit of retail stores.

The Group's strong topline performance combined with improved inventory health, retail media, and disciplined cost management partially offset the margin impact of significant sales during Black Friday. Group gross margin in H1 FY26 was 35.0%, down 120 basis points on prior period.

Profit before tax was \$478,000 (H1 FY25: \$532,000), down 10.2% on the previous corresponding period.

Earnings before interest, tax, depreciation, amortisation and other significant items ('Underlying EBITDA') for H1 FY26 was \$4,140,000, at a margin of 3.7%.

Underlying EBITDA is a non-IFRS measure and is the primary reporting measure used by the Key Management Personnel (KMP), being the Chief Executive Officer, Management and the Board of Directors, for the purpose of assessing the performance of the Group.

**Adore Beauty Group Limited**  
**Directors' report**  
**28 December 2025**

The below table includes the reconciliation of Underlying EBITDA to statutory profit before income tax:

<b>Unaudited</b>	<b>H1 FY26 \$'000</b>	<b>H1 FY25 \$'000</b>
Sales	111,943	102,982
Gross Profit	39,161	37,252
Underlying EBITDA	4,140	3,612
<i>Significant Items</i>		
Rent expense pre-adoption of AASB 16	1,998	666
Acquisition related transaction costs	-	(1,817)
Store roll-out pre-opening costs <sup>1</sup>	(735)	-
Non-cash impact of AASB2 Share based payments	(272)	387
Restructure costs	(188)	(423)
Other	(52)	99
Statutory EBITDA	<u>4,891</u>	<u>2,524</u>
Depreciation and amortisation	<u>(3,835)</u>	<u>(1,874)</u>
Statutory EBIT	<u>1,056</u>	<u>650</u>
Finance costs	<u>(578)</u>	<u>(118)</u>
Profit before income tax	<u>478</u>	<u>532</u>

1. The store roll-out pre-opening costs represent the costs incurred to prepare the stores for opening. These costs are recognised across several financial statement line items in the statement of profit or loss and other comprehensive income, including advertising and marketing expense, employee benefits expense, and other operating expenses.

Underlying EBITDA increased 14.5% over the prior period to \$4.1 million, delivering a margin of 3.7%.

Operating cash flow was positive with a closing cash balance of \$8.2 million as at 28 December 2025, down \$4.5 million on prior period, reflecting investment in the Group's rapidly growing retail store network. During the period, the Group opened ten retail stores across its Adore Beauty and iKOU brands.

Please refer to the Group's H1 FY26 results presentation for further commentary on the Group's financial and operational results.

**Significant changes in the state of affairs**

During the period, the Group opened ten retail stores across its Adore Beauty and iKOU brands increasing the total store network to ten Adore Beauty stores and six iKOU stores.

There were no other significant changes in the state of affairs of the Group during the financial period.

**Matters subsequent to the end of the financial period**

On 31 December 2025, the Group entered into a new asset finance facility with its financiers, with a total facility limit of \$7.2 million.

No other matter or circumstance has arisen since 28 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Rounding of amounts**

The Group is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

**Auditor**

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

**Adore Beauty Group Limited**  
**Directors' report**  
**28 December 2025**

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



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Jason Murray  
Chair  
24 February 2026

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**Grant Thornton Audit Pty Ltd**

Level 22 Tower 5  
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Melbourne VIC 3008  
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Melbourne VIC 3001  
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## Auditor's Independence Declaration

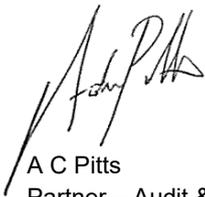
### To the Directors of Adore Beauty Group Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Adore Beauty Group Limited for the half-year ended 28 December 2025. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

Grant Thornton Audit Pty Ltd  
Chartered Accountants



A C Pitts  
Partner – Audit & Assurance

Melbourne, 24 February 2026

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## **Adore Beauty Group Limited**

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### **General information**

The financial statements cover Adore Beauty Group Limited as a Group consisting of Adore Beauty Group Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Adore Beauty Group Limited's functional and presentation currency.

Adore Beauty Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 7  
324 St Kilda Road  
Southbank VIC 3004

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2026.

**Adore Beauty Group Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the period ended 28 December 2025**

	Note	Consolidated H1 FY26 \$'000	H1 FY25 \$'000
<b>Revenue</b>			
Revenue	3	111,943	102,982
Cost of sales		(72,782)	(65,730)
Gross profit		<u>39,161</u>	<u>37,252</u>
Other income		18	99
<b>Expenses</b>			
Advertising and marketing expense		(9,661)	(13,673)
Employee benefits expense	4	(15,648)	(11,218)
Depreciation and amortisation expense	4	(3,835)	(1,874)
Finance costs		(578)	(118)
Acquisition-related costs		-	(1,817)
Other operating expenses	4	(8,791)	(7,696)
Restructure costs		(188)	(423)
<b>Profit before income tax (expense)/benefit</b>		478	532
Income tax (expense)/benefit	5	(289)	96
<b>Profit after income tax (expense)/benefit for the period attributable to the owners of Adore Beauty Group Limited</b>		189	628
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive income for the period attributable to the owners of Adore Beauty Group Limited</b>		<u><u>189</u></u>	<u><u>628</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	15	0.20	0.67
Diluted earnings per share	15	0.19	0.65

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Adore Beauty Group Limited**  
**Consolidated statement of financial position**  
**As at 28 December 2025**

		<b>Consolidated</b>	
		<b>28 December</b>	
	<b>Note</b>	<b>2025</b>	<b>30 June 2025</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		8,212	12,668
Trade and other receivables		6,119	2,607
Inventories		27,898	20,304
Other current assets		3,098	2,715
<b>Total current assets</b>		<u>45,327</u>	<u>38,294</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	12,627	6,155
Right-of-use assets	7	21,638	9,753
Intangibles	8	29,448	29,346
Deferred tax asset	5	724	261
<b>Total non-current assets</b>		<u>64,437</u>	<u>45,515</u>
<b>Total assets</b>		<u>109,764</u>	<u>83,809</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		28,663	21,938
Current tax payable		584	124
Contract liabilities		4,437	3,977
Borrowings	9	3,738	-
Lease liabilities	10	3,979	1,908
Employee benefits		1,840	1,639
Deferred consideration payable	11	4,984	4,890
<b>Total current liabilities</b>		<u>48,225</u>	<u>34,476</u>
<b>Non-current liabilities</b>			
Lease liabilities	10	20,586	8,789
Employee benefits		231	283
<b>Total non-current liabilities</b>		<u>20,817</u>	<u>9,072</u>
<b>Total liabilities</b>		<u>69,042</u>	<u>43,548</u>
<b>Net assets</b>		<u>40,722</u>	<u>40,261</u>
<b>Equity</b>			
Issued capital		102,777	102,777
Reserves		(66,690)	(66,962)
Retained earnings		4,635	4,446
<b>Total equity</b>		<u>40,722</u>	<u>40,261</u>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

**Adore Beauty Group Limited**  
**Consolidated statement of changes in equity**  
**For the period ended 28 December 2025**

	Issued capital \$'000	Corporate reorganisation reserve \$'000	Share based payments reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2024	102,777	(68,104)	1,418	3,555	39,646
Profit after income tax benefit for the period	-	-	-	628	628
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive income for the period	-	-	-	628	628
<i>Transactions with owners:</i>					
Share-based payments	-	-	(387)	-	(387)
Balance at 31 December 2024	<u>102,777</u>	<u>(68,104)</u>	<u>1,031</u>	<u>4,183</u>	<u>39,887</u>
Balance at 1 July 2025	102,777	(68,104)	1,142	4,446	40,261
Profit after income tax expense for the period		-	-	189	189
Other comprehensive income for the period, net of tax		-	-	-	-
Total comprehensive income for the period		-	-	189	189
<i>Transactions with owners:</i>					
Share-based payments			272	-	272
Balance at 28 December 2025	<u>102,777</u>	<u>(68,104)</u>	<u>1,414</u>	<u>4,635</u>	<u>40,722</u>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**Adore Beauty Group Limited**  
**Consolidated statement of cash flows**  
**For the period ended 28 December 2025**

	<b>Note</b>	<b>Consolidated H1 FY26 \$'000</b>	<b>H1 FY25 \$'000</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		115,368	108,837
Receipts from fees and commissions (inclusive of GST)		4,281	3,457
Payments to suppliers and employees (inclusive of GST)		<u>(117,262)</u>	<u>(108,935)</u>
		2,387	3,359
Interest (paid)/received		(93)	99
Interest paid on lease liabilities		(467)	(456)
Income taxes paid		(73)	(162)
Transaction costs relating to acquisition of subsidiary		<u>-</u>	<u>(1,817)</u>
Net cash from operating activities		<u>1,754</u>	<u>1,023</u>
<b>Cash flows from investing activities</b>			
Payment for acquisition of subsidiary, net of cash acquired		-	(19,198)
Payments for intangible assets	8	(1,263)	(1,079)
Payments for property, plant and equipment	6	<u>(7,154)</u>	<u>(1,400)</u>
Net cash used in investing activities		<u>(8,417)</u>	<u>(21,677)</u>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(1,531)	(548)
Proceeds from borrowings		<u>3,738</u>	<u>-</u>
Net cash from/(used in) financing activities		<u>2,207</u>	<u>(548)</u>
Net decrease in cash and cash equivalents		(4,456)	(21,202)
Cash and cash equivalents at the beginning of the period		<u>12,668</u>	<u>32,852</u>
Cash and cash equivalents at the end of the period		<u><u>8,212</u></u>	<u><u>11,650</u></u>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 1. Material accounting policy information**

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

**Basis of preparation**

These general purpose financial statements for the half-year reporting period ended 28 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

**New or amended Accounting Standards and Interpretations adopted**

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations has not had a material effect on the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Reporting Period**

The Group applies a 52 or 53 week financial year as permitted under section 323D(2A) of the Corporations Act 2001. For the half year ended 28 December 2025, the Group is reporting on a 26 week period from 1 July 2025 to 28 December 2025. The comparative period for the statement of profit or loss and other comprehensive income is the period from 1 July 2024 to 31 December 2024. The comparative information for the statement of financial position is presented as at 30 June 2025.

**Note 2. Operating segments**

*Identification of reportable operating segments*

The Group operates as a major retailer in the beauty and personal care industry, offering a wide selection of products both in-store and online. Sales are predominantly through the Australian geographical region, with international sales being immaterial. The Group has identified two distinct operating segments, encompassing the Adore Beauty and iKOU brands, based on the manner in which internal reports are reviewed and utilised by the Board of Directors (identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and determining the allocation of resources. On the basis that both segments possess similar economic characteristics and satisfy the criteria outlined in AASB 8.12, the results of both segments have been aggregated due to similarities in products and services offered, nature of customers, methods of distribution and the regulatory environment they operate in.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated. The information reported to the CODM is on at least a monthly basis.

*Major customers*

During the current and previous financial year, no individual customer contributed more than 10 per cent of the Group's revenue.

**Note 3. Revenue**

	<b>Consolidated</b>	
	<b>H1 FY26</b>	<b>H1 FY25</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Revenues from contracts with customers</i>		
Sale of goods – point in time	108,051	99,839
Commission revenue – point in time	380	538
Marketing revenue – over time	3,512	2,605
Total revenues	<u>111,943</u>	<u>102,982</u>

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 4. Expenses**

	<b>Consolidated</b>	
	<b>H1 FY26</b>	<b>H1 FY25</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	193	74
Leasehold improvements	489	-
Buildings right-of-use assets	1,992	681
Total depreciation	<u>2,674</u>	<u>755</u>
<i>Amortisation</i>		
Brand name	37	31
Recipes	48	40
Customer relationships	36	147
Website and mobile app	928	900
Other intangible assets	112	4
Total amortisation	<u>1,161</u>	<u>1,122</u>
Total depreciation and amortisation	<u>3,835</u>	<u>1,877</u>
<i>Other operating expenses</i>		
Bank and merchant fees	2,334	2,180
Website, software, other IT costs	2,490	2,207
Net foreign exchange loss	25	98
Other expenses	3,942	3,211
Total other operating expenses	<u>8,791</u>	<u>7,696</u>
<i>Employee benefits expense</i>		
Salaries, wages and contractor payments	13,269	9,978
Share-based payments expense/(reversal)	272	(387)
Defined contribution superannuation expense	1,224	844
Annual and long service leave	98	223
Other employee benefits expenses	785	560
Total employee benefits expense	<u>15,648</u>	<u>11,218</u>

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 5. Income tax expense**

	<b>Consolidated</b>	
	<b>H1 FY26</b>	<b>H1 FY25</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Income tax expense</i>		
Current tax expense	752	231
Deferred tax - origination and reversal of temporary differences	(463)	(327)
Aggregate income tax expense/(benefit)	<u>289</u>	<u>(96)</u>
<i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i>		
Profit before income tax (expense)/benefit	478	532
Tax at the statutory tax rate of 30%	143	160
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenditure/other assessable income	32	25
Share-based payments (reversal)/expense	82	(39)
Impact of ACA step downs	-	(116)
Other	32	(126)
Income tax expense/(benefit)	<u>289</u>	<u>(96)</u>

	<b>Consolidated</b>	
	<b>28 December</b>	<b>30 June 2025</b>
	<b>2025</b>	<b>2025</b>
	<b>\$'000</b>	<b>\$'000</b>
Deferred tax assets comprises temporary differences attributable to:		
Employee benefits	632	596
Plant and equipment	(524)	(294)
Leases	921	373
Right of return asset	(110)	(110)
Refund liabilities	174	174
Gift voucher liabilities	357	309
Capitalised fees and acquisition-related costs	270	314
Accrued expenses	94	124
Other items	58	(41)
Intangible assets other than goodwill	(1,148)	(1,184)
Deferred tax assets	<u>724</u>	<u>261</u>
Movements:		
Opening balance	261	1,588
Charged to profit or loss	463	(75)
Additions through business combination	-	(1,252)
Closing balance	<u>724</u>	<u>261</u>

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 6. Property, plant and equipment**

	<b>Consolidated</b>	
	<b>28 December</b>	
	<b>2025</b>	<b>30 June 2025</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-current assets</i>		
Plant and equipment - at cost	2,798	2,373
Less: Accumulated depreciation	(1,451)	(1,230)
	1,347	1,143
Leasehold improvements - at cost	10,959	4,276
Less: Accumulated depreciation	(610)	(121)
	10,349	4,155
Work in progress	931	857
	12,627	6,155

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

<b>Consolidated</b>	<b>Plant and equipment \$'000</b>	<b>Leasehold improvements \$'000</b>	<b>Work in progress \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2025	1,143	4,155	857	6,155
Additions	333	1,710	5,111	7,154
Transfers in/(out)	64	4,973	(5,037)	-
Depreciation expense	(193)	(489)	-	(682)
<b>Balance at 28 December 2025</b>	<b>1,347</b>	<b>10,349</b>	<b>931</b>	<b>12,627</b>

**Note 7. Right-of-use assets**

	<b>Consolidated</b>	
	<b>28 December</b>	
	<b>2025</b>	<b>30 June 2025</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Non-current assets</i>		
Land and buildings - right-of-use	27,666	13,797
Less: Accumulated depreciation	(6,028)	(4,044)
	21,638	9,753

The Group leases land and buildings for its offices, warehouse and retail stores under agreements of between one to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 7. Right-of-use assets (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial period are set out below:

<b>Consolidated</b>	<b>\$'000</b>
Balance at 1 July 2025	9,753
Additions	13,869
Depreciation expense	(1,992)
Lease remeasurements	8
	<hr/>
<b>Balance at 28 December 2025</b>	<b><u><u>21,638</u></u></b>

**Note 8. Intangibles**

	<b>Consolidated</b>	
	<b>28 December 2025 \$'000</b>	<b>30 June 2025 \$'000</b>
<i>Non-current assets</i>		
Goodwill - at cost	<hr/> 19,735	<hr/> 19,735
Brand name - at cost	1,503	1,503
Less: Accumulated amortisation	(106)	(69)
	<hr/> 1,397	<hr/> 1,434
Recipes - at cost	1,940	1,940
Less: Accumulated amortisation	(137)	(89)
	<hr/> 1,803	<hr/> 1,851
Customer relationships - at cost	729	729
Less: Accumulated amortisation	(103)	(67)
	<hr/> 626	<hr/> 662
Website and mobile app - at cost	10,866	10,225
Less: Accumulated amortisation	(7,190)	(6,262)
	<hr/> 3,676	<hr/> 3,963
Other intangible assets - at cost	1,235	746
Less: Accumulated amortisation	(221)	(109)
	<hr/> 1,014	<hr/> 637
Work in progress	<hr/> 1,197	<hr/> 1,064
	<hr/> <b>29,448</b>	<hr/> <b>29,346</b>

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 8. Intangibles (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the year are set out below:

<b>Consolidated</b>	<b>Goodwill \$'000</b>	<b>Brand name \$'000</b>	<b>Recipes \$'000</b>	<b>Customer relationships \$'000</b>	<b>Website and mobile app \$'000</b>	<b>Other intangible assets \$'000</b>	<b>Work in progress \$'000</b>	<b>Total \$'000</b>
Balance at 1 July 2025	19,735	1,434	1,851	662	3,963	637	1,064	29,346
Additions	-	-	-	-	-	110	1,153	1,263
Transfers in/(out)	-	-	-	-	641	379	(1,020)	-
Amortisation expense	-	(37)	(48)	(36)	(928)	(112)	-	(1,161)
<b>Balance at 28 December 2025</b>	<b>19,735</b>	<b>1,397</b>	<b>1,803</b>	<b>626</b>	<b>3,676</b>	<b>1,014</b>	<b>1,197</b>	<b>29,448</b>

**Note 9. Borrowings**

**Consolidated**  
**28 December**  
**2025**      **30 June 2025**  
**\$'000**      **\$'000**

*Current liabilities*

Bank loans	3,738	-
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*Assets pledged as security*

Financial facilities are secured by a guarantee by the Company and each of its wholly owned subsidiaries. The lender has general security over all of the assets of the Group Companies that are guarantors.

*Financing arrangements*

Unrestricted access was available at the reporting date to the following lines of credit:

	<b>Consolidated</b>	
	<b>28 December</b>	<b>30 June 2025</b>
	<b>2025</b>	<b>2025</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Total facilities</b>		
Trade Finance Facility	8,000	10,000
Bank Guarantee Facility	2,000	-
	<u>10,000</u>	<u>10,000</u>
<b>Used at the reporting date</b>		
Trade Finance Facility	3,738	-
Bank Guarantee Facility	1,249	-
	<u>4,987</u>	<u>-</u>
<b>Unused at the reporting date</b>		
Trade Finance Facility	4,262	10,000
Bank Guarantee Facility	751	-
	<u>5,013</u>	<u>10,000</u>

The Group has bank guarantees totalling \$1.25 million issued under its financing facility in favour of landlords. These guarantees are secured against the Group's banking facilities. No liability has been recognised as the Directors consider it unlikely that the guarantees will be called.

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 10. Lease liabilities**

	<b>Consolidated</b>	
	<b>28 December</b>	<b>30 June 2025</b>
	<b>2025</b>	<b>2025</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current liabilities</i>		
Lease liability	3,979	1,908
<i>Non-current liabilities</i>		
Lease liability	20,031	8,539
Provision for make good	555	250
	<u>20,586</u>	<u>8,789</u>
	<u>24,565</u>	<u>10,697</u>

*Future lease payments (undiscounted):*

<b>Consolidated - 28 December 2025</b>	<b>Weighted average interest rate</b>	<b>1 year or less</b>	<b>Between 1 &amp; 2 years</b>	<b>Between 2 &amp; 5 years</b>	<b>Over 5 years</b>	<b>Remaining contractual maturities</b>
	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Lease liabilities	5.00%	5,714	5,814	14,955	2,049	28,532

**Note 11. Deferred consideration payable**

	<b>Consolidated</b>	
	<b>28 December</b>	<b>30 June 2025</b>
	<b>2025</b>	<b>2025</b>
	<b>\$'000</b>	<b>\$'000</b>
<i>Current liabilities</i>		
Deferred consideration payable	4,984	4,890

*Movements in deferred consideration payable*

Movements in the deferred consideration payable during the current financial period are set out below:

<b>Consolidated</b>	<b>Deferred consideration payable \$'000</b>
Carrying amount at the start of the period	4,890
Interest expense	<u>94</u>
Carrying amount at the end of the period	<u>4,984</u>

The payment for the \$5,000,000 of remaining deferred consideration was made to the former owners of iKOU Holdings Pty Ltd in February 2026.

**Note 12. Dividends**

There were no dividends paid, recommended or declared during the current or previous financial period or since the end of the period.

**Adore Beauty Group Limited**  
**Notes to the financial statements**  
**28 December 2025**

**Note 13. Contingent liabilities**

The Group has no contingent liabilities as at 28 December 2025 (30 June 2025: \$nil).

**Note 14. Events after the reporting period**

On 31 December 2025, the Group entered into a new asset finance facility with existing financiers Commonwealth Bank of Australia, with a total facility limit of \$7.2 million.

No other matter or circumstance has arisen since 28 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

**Note 15. Earnings per share**

	<b>Consolidated</b>	
	<b>H1 FY26</b>	<b>H1 FY25</b>
	<b>\$'000</b>	<b>\$'000</b>
Profit after income tax attributable to the owners of Adore Beauty Group Limited	189	628
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	93,957,928	93,957,928
Adjustments for calculation of diluted earnings per share:		
Options and rights over ordinary shares	3,212,903	2,686,822
Weighted average number of ordinary shares used in calculating diluted earnings per share	97,170,831	96,644,750
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	0.20	0.67
Diluted earnings per share	0.19	0.65

**Adore Beauty Group Limited**  
**Directors' declaration**  
**28 December 2025**

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 28 December 2025 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors



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Jason Murray  
Chair

24 February 2026  
Melbourne

# Independent Auditor's Review Report

## To the Members of Adore Beauty Group Limited

### Report on the half-year financial report

#### Conclusion

We have reviewed the accompanying half-year financial report of Adore Beauty Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 28 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Adore Beauty Group Limited does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Group's financial position as at 28 December 2025 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Directors' responsibility for the half-year financial report**

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

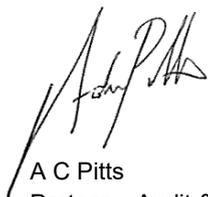
### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 28 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Grant Thornton

Grant Thornton Audit Pty Ltd  
Chartered Accountants



A C Pitts  
Partner – Audit & Assurance

Melbourne, 24 February 2026